Allocation of power to Gujarat

1428. SHRI KANJIBHAI PATEL: Will the Minister of POWER be pleased to state:

(a) whether the Government of Gujarat has represented at any time against reduction in the allocation of power from the unallocated quota of generating stations of Western region and Eastern region, as they are already facing acute shortage of power, almost through out the year;

(b) whether the Chief Minister of Gujarat has also requested the Minister for restoring the original allocated quota of the central generating stations to the States;

(c) whether the Members of Parliament have also submitted a memorandum to the Prime Minister personally in this regard; and

(d) if so, the reaction of Government on the points raised in the memorandum?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) to (c) Yes, Sir.

(d) The allocation of power from unallocated quota of Central Generating Stations (CGSs) in Western Region (WR) was revised in February, 2006 and power was allocated to more deficit States/UTs in the Region by reducing the allocation of Gujarat and Goa, due to their relatively comfortable position. Subsequently, keeping in view the request of Gujarat for allocation of additional power and relative power supply position of WR constituents, the allocation of Gujarat out of this quota was enhanced by 5% (from 4.1% to 9.1%) in January, 2007.

In response to the memorandum dated 16.12.2006 submitted to the Prime Minister by Shri L.K. Advani and other Members of Parliament from Gujarat, the above facts have been intimated to Shri L.K. Advani, MP, under intimation to the Prime Minister's Office.

Power plant in Andhra Pradesh

1429. SHRI M.V. MYSURA REDDY: Will the Minister of POWER be pleased to state:

(a) whether the Central Government propose to set up a new power plant in Andhra Pradesh during the current year;

(b) if so, the details thereof along with the financial allocation made for setting up of the power plant, location-wise; and

(c) whether any time frame plan in this respect has been formulated by Government, if so, by when it is likely to set up?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) to (c) Sumhadri Stage-II (2x500 MW) coastal coal based power project at an estimated cost of Rs. 4844.42 crore is proposed to be set up by NTPC Ltd. in the State of Andhra Pradesh. The Commissioning of two units of this project are expected by September, 2010 and March, 2011 respectively.

In addition, bidding process has been initiated in respect of Krishnapatnam Ultra Mega Power Project (4000 MW).

Opening up of power sector

1430. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of POWER be pleased to state:

(a) whether Government have any proposal to open up the power sector to competition as that would not only provide choice to consumers but also bring efficiency and cost reduction;

(b) if so, the details thereof; and

(c) the present status of power sector scenario in the country?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) and (b) Introducing competition in the electricity industry is one of the key objectives of the Electricity Act, 2003.

The Tariff Policy, which has been notified under the provisions of the Act, required all future requirement of power to be procurred competitively by distribution licensees except in cases of expansion of existing projects or where there is a State controlled/owned company as an identified developer. For Public Sector projects, tariff of all new generation and transmission projects after a period of five years will have to be decided on the basis of competitive bidding. The Central Government has issued guidelines for tariff based bidding for procurement of power by distribution licensees and also for procurement of transmission services. Competitive bidding has already been completed for two Ultra Mega Power Projects of